

THE MELKONIAN CONTROVERSY

By Michael Krikorian

“For over seven decades students have been drawn to Melkonian by its stimulating environment and the excellence of its academic traditions. Now it is working to widen the choice of courses, introduce new approaches to learning and teaching, and give more people from around the world the opportunity to live and study in the congenial climate of Cyprus.” From the Melkonian website on 09/02/2004. That website is down **“under construction”!**

After 78 years of serving as a beacon of education and heritage to young Armenians scattered like seeds around the world, the Melkonian Educational Institute in Cyprus is scheduled to close in June 2005. The shuttering of the beloved school in Nicosia is aching the hearts of alumni, disappointing Greek Cypriots, and causing the Armenian General Benevolent Union – once a revered organization immune to criticism - to face charges of incompetence, mismanagement, greed and even, in the words of one former AGBU official, treason.

This report involves the school’s legacy, the AGBU’s mission, the cultural assimilation of the Armenian Diaspora, and, of course, it involves money. It was written after spending two weeks in Cyprus, Lebanon and New York – where the AGBU is headquartered.

“I cannot comment one way or another about the melkonian closing,” said Berge Setrakian, the president of the AGBU. In a brief late August phone conversation, Setrakian would only say the decision was not an easy one and he would give a lengthy interview about the school in the near future.

But others involved with both the boarding school and the AGBU were chomping at the bit to discuss the issue. One of them is Haigashen Ouzounian. Born in Adana in 1920, Ouzounian came to the Melkonian Educational Institute in 1933 and graduated in 1938. He claims he is the oldest living Melkonian graduate. **“There is reason to close melkonian,”** he said at his home in Larnaca, Cyprus. **“Melkonian is very important for our youth. Melkonian is not only important for Cyprus, but for all Armenians in the Diaspora.”**

Ouzounian, who became a member of the Central Board of the AGBU and later the group’s vice president, laid much of the blame on the leadership of the benevolent organization. **“Unfortunately AGBU does not represent the image that it carried in the past,”** said Ouzounian, who quit the organization in 1995. **“It has lost its favorable façade among the people and has been re-organized as a foundation in the hands of only a few personalities who do whatever they please. It is unfortunate that an organization such as this after 100 years of earning our nation’s trust is now falling apart and losing its credibility among our people. How can they close the Melkonian?”**

The Melkonian Institute is hidden behind a wooded area at the gates of Nicosia, about three kilometers from the colorful old walled city. One enters the campus through an imposing black wrought iron gate which proclaims in Armenian, Greek and English **“Melkonian Educational Institute.”** On the gate is a bronze plaque that reads: **“Armenian General Benevolent Union.”** The sign, like the school itself, is faded.

Beyond the gate is a 40 meter-long planter wild with weeds and brittle, dried-out rosemary bushes. Near a ghetto looking basketball court complete with asphalt cracks and two rusted and bent net-less rims is a courtyard surrounded by statues of famous Armenians – General Antranig, Gomidas, Hagop Meghabard, Alex Manoogian.

Of course, in the dead of August the school is empty save for the last group of summer school kids. Seated on a bench talking to four children was Garbis Tapacian, a 20-year old from Bucharest, Romania who graduated in 2003. He, like 84-year old Ouzounian, is heartsick. **“I feel so bad that Melkonian is closing”** said Tapacian, who came to the boarding school when he was 13. **“I have almost half of my life here, all my memories. It’s very said, especially for the younger kids. What are they going to do? Where are they going to go?”**

In the dark days after World War I, there was no shortage of young Armenians with nowhere to go. With thousands orphaned by genocide and war, strewn about the Middle East, two philanthropic brothers had a vision. Krikor and Garabed Melkonian founded an orphanage in Cyprus after the Genocide and provided refuge for the countless wandering souls. In 1926, though Krikor had died, the Melkonian Educational Institute was founded. In his will, Garabed Melkonian named the AGBU as the executor and beneficiary of his estate.

In the following decades it became a shining symbol of the undeniable spirit and resilience of the Armenian people. Youth from more than 40 countries would attend the boarding school and immerse themselves in being Armenian. They hail from Beirut or Moscow or Buenos Aires. They might be from Sofia or Marseilles or Baghdad. Maybe home was Chicago or Athens or down the street from the walled city of Nicosia. But here at the Melkonian brother’s legacy, they discovered a new home. Young strangers found they had one thing in common, one strong vein they tied them together. They were Armenian. And they became friends.

“I had friends from all over the world,” said Arto Aivazian, principal of the Nareg Armenian Primary School on Armenia Street in Nicosia who graduated from melkonian in 1967. “I had friends from South America, Ethiopia, Europe, North America. Of course, you may not have any friends in your hometown.”

So why is the Melkonian, also known as MEI, closing?

The Central Board of the AGBU, in a March 16, 2004 statement titled “Melkonian Educational Institute” says the difficult decision was “based largely on the Board’s conclusion that MEI no longer meets the challenge of its mission in the present contest of the Armenian world.”

In an eight-page document, the Central Board goes on to state that mission: “To preserve and promote the Armenian identity and heritage through educational, cultural and humanitarian programs.”

In this document, subtitled “AGBU’s Commitment to Education: Placing MEI in Context,” among the reasons for the closing were the declining enrollment and the “integration of new generation into the larger mainstream setting of their countries; the attraction to local public and private non-Armenian institutions; and the belief of many young parents that a better future for their children will be secured by enrollment in non-Armenian schools.”

AGBU consultant Gordon Andersen agrees. “Take France, for example,” he said at his office at MEI. “Armenians in France speak French, but not so much Armenian. There’s a group of Armenians that want to maintain their culture and heritage, but on a whole, we find parents want the kid assimilated into whatever culture they are living in.”

Anderson, former vice principal of the American University of Bulgaria, is the AGBU’s point man on MEI. He was hired as consultant to check into the problems of Melkonian. “The melkonian Institute was the most problematic of all the AGBU schools, so they asked me to come to Cyprus to give an evaluation of the school.” Said Anderson. “This is something that’s been on the AGBU agenda since 1975. They talked about closing it down since 1975 with the war going in Lebanon.”

But, opponents of the closure say that all the talk about melkonian not fulfilling its “mission” is, in the words of one alumnus, “bullshit.”

What almost everyone interviewed said the number one reason for the closure of the much-loved boarding school all boiled down to one word – Money.

“On paper they talk about the loss of the mission,” said George Zeitountsian, an economist who is the head of national accountants for the Republic of Cyprus and an AGBU member. “But somebody at the AGBU smelled money.”

Zeitountsian shakes his head. “The land Melkonian sits on is very valuable, but to make blood money out of the heritage of the Armenians is treason,” he says, his voice rising. “I believe the AGBU has lost its mission. Not the Melkonian.”

Dr. Vahakn Atamyan sat in his small air-conditioned office about 400 meters from the school and agreed with the economist. “The AGBU has done a lot of good in the last 100 years, but sometimes one bad thing can help turn that upside down.” Atamyan was a board member of MEI for 14 years before he was rather coldly informed in a letter by Carol Aslanian of the AGBU’s Central Board that he was being dismissed. “And sadly, with the closing of the Melkonian, they have done that. In the 21st Century, we cannot discuss closing schools; we can only discuss opening schools. But the main reason they are closing the school is because of the money. It’s all about the money.”

That is a statement echoed all over Nicosia. Money. Money. Money. From current students to alumni to MEI board members to local AGBU board members to Cypriot officials.

“It’s a shame the melkonian has to close because of money matters,” said Leontios Leontiou, an education planner for the Cyprus Ministry of Education and Culture. “I think it’s unfair to the Armenian students. Maybe it’s expensive to run, but I don’t think money should make a difference to a group of people. The Melkonian is history here in Nicosia.”

The value of the land that melkonian sits on and the buildings, which include the boarding school and the two historic school room buildings, is said to be worth up to \$80 million. The school’s annual budget is about \$2.5 million. The projected income is roughly \$1.2 million, according AGBU. Do the math.

But the AGBU denies money was a major consideration in the decision to lock up. “The value of the land was not a factor in the decision to close the school,” said Carol Aslanian, the Central Board member who, with president Setrakian and Chairman of the Board Louise Manoogian Simone, make up the triumvirate involved in the MEI. When asked about the \$80 million figure, Aslanian responded, “I have no idea what the land is worth. I

have never seen a document about how much the land is worth.” She kept referring to the March 16 statement rather than express her own views. “My personal thoughts are reflected in that statement,” she said during a cell phone interview as she drove from New York to New England. “If I had personal thoughts that were different, I wouldn’t have signed the March 16 statement.”

The March 16 document states: “MEI’s continuing deficit levels have been taken into consideration, but have not been the primary issue of concern throughout the evaluation process.” There is no mention of the potential value of the MEI’s buildings and land in the statement.

So, in light of the AGBU’s adamant denial that profit from the land did not play a role, a puzzling question arise: Why not? If one has an \$80 million chunk of real estate, or \$70 million or even \$25 million, it seems almost absurd or foolish not to consider the value of the property in any decision to keep or sell it.

This omission or denial of the land value as a factor in the decision to close Melkonian infuriates many. One of them is Shavasb Bohdjalian, the co-publisher of Nicosia’s Financial Times newspaper and one of the leaders of the melkonian alumni. “What pisses many of us off,” said Bohdjalian, “is do they think we’re stupid? Are they stupid? Of course it’s about money. Why don’t they just admit it and we can move on? It’s the lying. Like they think they are not about money. Charitable organizations are as much about money as Exxon or Enron. All the crap about Melkonian not serving the mission, it’s all bullshit. In the meantime Armenian children all around the world, in Russia, in Romania and Bulgaria, in Greece, in Iran, in Iraq, in Cyprus are left without proper Armenian education. We can thank the greed of the Central Board members.”

Some of the Central Board’s harshest critics are members of the local Cyprus AGBU chapter, such as melkonian alumni Manuk Yildizian. “It’s all about the dollars and this will be the beginning of the end of the AGBU,” said Yildizian, a public information officer for the Republic of Cyprus. “The very kind of American Armenians who entrust their dollars to the secret AGBU need to know about this and need to know the AGBU is all about money. They will think twice to hand over their hard earned dollars to the AGBU.”

A former melkonian board member who quit because of her frustration was also deeply critical of the Central Board. “It’s definitely all about the money,” said Yeran Kouyoumdjian, editor of the monthly magazine Azad Tzayn or Free Voice and a parent of a Melkonian graduate. “Maybe it was becoming a headache for the Central Board, but it all comes down to money. That’s the American way of thinking. Money is everything.”

AGBU consultant Anderson is well aware of the criticism. “Opponents to the closure have been saying the property is worth 40 million Cyprus pounds (well more than \$80 million) and the money is going back to the United States,” Anderson said. “But it is not really a financial issue. Finances were never part of the decision.”

Anderson is adamant in saying no deal has been struck to sell the land. Not yet. “I have been approached by developers, but I haven’t talked to any of them yet,” he said. “It is a very valuable piece of land. This is a high rent area. But, any money the AGBU may make, any proceeds would go back into serving the Armenians. But, I’ll go on the record again as saying no discussions have been done with the developers about purchasing the land. Like I said, I’ve gotten calls asking if it is for sale and I tell them no. But when and if it is, I will let them know.”

In the spring of 2003, the AGBU asked Anderson to write a report on Melkonian. That April, he went to Nicosia, spent two weeks and turned in his appraisal: “There are problems here. It needs to be fixed. Enrollment is down. Facilities need work. Its general appearance is down.”

After submitting the initial report, Anderson was hired to go back and take a deeper look at MEI. In July 2003, he returned to Cyprus and moved into an apartment in Nicosia. After several months he provided the AGBU with a list of options. They ranged from what it would take to make it a first class school to fixing the current problems to closing it down. “There needed to be a significant expenditure to turn the school into a state-of-the-art Pepperdine-like school,” said Anderson, referring to the striking university-by-the-sea in Malibu in California. “It would cost about seven to eight million dollars to upgrade the facility. Build a swimming pool, fix up the whole complex and even then there would be no guarantee it would attract more students. “You are competing for a small market of Armenian high school boarding students. Globally, boarding schools are in trouble. Not just Armenian ones. Today’s parents just are not interested in sending their kid to a boarding school.”

“The AGBU wants to keep their heritage, but the question was, ‘Is the Melkonian doing that?’ said Anderson seated behind his large desk on a scorching Nicosia day. “Is keeping the Melkonian open the best way we can spend \$1.2 million a year.”

Another option Anderson considered was closing the boarding school and turning Melkonian into a day school operation. “I wrote a feasibility study about a day school. This was a confidential report.” However, a copy of the study was obtained for this report. Perhaps the only remarkable aspect of the report is the absence of any mention

of the impact MEI would take from losing the boarding school. After all, the single most important part of the Melkonian Institute always was that it was not just a school, but a boarding school where students live.

“The boarding school is the anchor of Melkonian,” said Manuk Yildizian from his cluttered government office. “It would be like keeping the Empire State Building, removing the top 99 floors, leaving a three-story building and still calling it the Empire State Building. It’s absurd. The boarding school is a must for Melkonian.”

Dr. Atamyan, who has two daughters at MEI, said that even though they live with him in Nicosia, he would not have sent his children there without the boarding school. “Personally, if the Melkonian was only a day school, I would never, and I emphasize the word never, send my children to a school like that. It would be like a ghetto. Having a school with 40 students. This is not the age of a ghetto school.

For many, going to school at MEI was a learning experience, but being able to stay on campus in a dormitory in a college-like atmosphere with teenage Armenians from around the world was unforgettable. “The best days of my life, without a doubt,” said Hratch Manoukian, an accountant and Melkonian board member who came to the school in 1948 and graduated in 1953. “As an Armenian, I was born again at Melkonian. The boarding school was the essence of Melkonian.”

Still, Manoukian is loyal to the AGBU and said a day school would have been better than no school at all. “Now we all know the school is going to ...,” he stopped the sentence short. He couldn’t bring himself to say the “c” word. He took a sip of Greek coffee. “I don’t want to believe after all these years; they are going to close the school. Believe me, not a single Melkoniansi wants their school closed. They wanted to keep a day school, but the alumni never supported it. We should have worked together to get local Armenians to attend the day school. You can’t blame it all on the Central Board.”

The chairman of the local Cyprus chapter of the AGBU said there is plenty of blame to go around. “The Central Board in New York made mistakes, but so did we,” said Karekin Kostanian as he walked through the empty halls of Melkonian. “As Cypriots, we all love this school, but we were not organized quickly enough to do something about it. I think we could have made a difference if we got going earlier.”

Kostanian cited the mismanagement at the school, such as the budget rising from \$1 million to \$2.5 million in only seven years. “Still, they shouldn’t have closed the school without trying to do something,” he said. “Maybe if everyone was working together we would not have to close.”

But, many in Nicosia and elsewhere believe no amount of “working together” would have mattered. They firmly believe the AGBU Central Board was bound and determined to shut down MEI. “We thought the objective of Mr. Gordon Anderson coming here was to save the school and after we met him we were impressed,” said Shavash Bohdjalian from his editorial offices. “We figured he was a professional. An American educator. He spoke to me about his three options, which were to leave it as it is, upgrade it or close it. But, Gordon Anderson, it turns out, came here only to close the Melkonian with the least amount of damage to the AGBU. Anderson is just a messenger.”

It wasn’t the first time Bohdjalian had a negative experience with the Central Board. Back in 1992 he was on the Melkonian board and the AGBU told the board to reduce expenses. “It was a waste of time,” he said. “We came up with an idea of how to cut expenses by getting rid of certain unnecessary employees and the Central Board would say ‘You can’t fire them, they are connected.’ Essentially, all the decisions were being made thousands of miles away in New York City by one or two people.”

By 2003, as it became clear Melkonian was on shaky ground, more and more people requested meetings with Anderson, hoping a dialogue would lead to a solution and hoping to convince Anderson to convince the Central Board. The sense of utter doom was distant in 2003. Everyone close to the school felt it could be saved. No one wanted to think the unthinkable. No one could even imagine this landmark; this piece of Armenian history at the entrance to the capital of Cyprus would ever close.

Aivazian, the principal of the Nareg Primary School, had meeting with Anderson. He came away with a sour feeling. “Gordon is a businessman and businessmen are about money,” said Aivazian. “But it’s the Central Board that is to blame. The central Board didn’t send anyone to see how the school was running for years. Maybe they didn’t care. Then all of a sudden, last year they are trying to save the Melkonian. Gordon prepares a report. A stupid report. But, he was just following orders and he and they didn’t want to save the school.”

Naturally, Anderson disputes this. “Why would they continue to pay me if all they wanted to do is close it,” he said, refusing to divulge how much he is getting paid. Critics scoff at this. “Do they think we are stupid?” roars Manuk Yildizian, “I ask you again, do they think we are stupid?”

When the unthinkable started to be thought, Melkonian alumni began to organize. No one in Cyprus has been more active in the effort to save the school than Massis Der Parthogh journalist and publishing partner with Bohdjalian at the Financial Times.

Der Parthogh, a melkonian alumnus, has written editorials accusing the school's leadership of being ignorant and unqualified. He is vice president of the Melkonian alumni he helped form. He has helped organize protests against the school's closing. And he is one of the last to hold on to that dwindling hope that the school can somehow still be saved. "Officially the school is closing, but we still have hope because there is a 1% chance we can save it," he said during an interview in the lobby of the Nicosia Holiday Inn. "As long as there is at least 1%, there is still a chance. The Central Board says the school has lost its mission because that is the only way they can justify its closing. But they will break the trust of the Melkonian Brothers. How can they do that?"

In Los Angeles, another alumni group also has not thrown the towel; though they admit the struggle to save the school is an extreme long shot. The Melkonian Alumni & friends have hired a lawyer, Mark McCarley, in hopes of tracking down documents and the original Will of the Melkonian brothers that may state the brothers' money can only be used for the Institute. Like something out of "The Da Vinci Code," the search for the missing mysterious papers has led to Cairo, Istanbul, and Lausanne, Switzerland.

"I suspect if we get lucky and find some papers supporting our case, the AGBU may be in trouble," said Zohrab Shamassian, an alumni member and 1951 melkonian graduate.

The chairman of the alumni said that regardless of the outcome of the search of the missing papers, the AGBU is in the midst of a credibility problem with the Armenian public. "Because of how they handled Melkonian, the trust has been broken," said Raffi Zinzalian, chairman of Melkonian Alumni and Friends. "The truth is, the most important thing is, and all Armenians have to know this, that the richest Armenian organization is closing the best Armenian school."

In the tradition of the spirited schools and against the fervent wishes of MEI administrators, this spring a protest was held with students, teachers, alumni and others marching in front of the school. The school administration was irate. Students were threatened. "When they found out about it, we were told that if we did not keep the protest at the school, if we took the protest downtown or to the old city, we would be kicked out of school," said recent graduate Tapacian. "They thought it was an embarrassment. It's sad. The protest stayed at school, but it got ugly."

At the March protests, marchers held "Wanted" posters of Berge Setrakian and Louise Simone with "\$80,000,000" written beneath their faces. Some portrayed Setrakian wearing a fez. Other signs read "Second genocide." It was a spirited emotional protest. And to some it was a new low point for the school.

"How can you say this is the Second Genocide?" wondered Hratch Manoogian. "They went too far. Having Berge wearing a fez and calling Carol ugly names. If you don't respect your elders, who is going to respect you?"

Recently, Der Parthogh and Bohdjalian have resorted to what they call "guerrilla tactics" in a last ditch effort to persuade the AGBU not to close the school. At a meeting earlier this year of 100 alumni, 65% voted to continue a dialogue with the AGBU. But, when that proved pointless, the alumni went with their hardball tactics.

"We decided to see if the Cypriot government's interior ministry and the Department of town planning would declare the Melkonian area as an official Heritage site which would severely limit the value of the land because it would limit what could be built there," said Der Parthogh.

But, the alumni soon found out that only the owners of the property or the government could make such a declaration. However, someone in the government did make a motion that was passed and much of the Melkonian Institute land is one final step away from being so declared a Heritage site. If the final huddle is passed, it would mean the value of the Melkonian land would plummet because, for example, no high rise apartments or office buildings could be built on that site.

If the school is closed, what good would it do to have the Melkonian land a heritage site and therefore worth millions of dollars less? "It's a punishing of the AGBU," quickly responded Bohdjalian. "If they are going to lose the school, we can make their life as miserable as possible."

Doesn't that hurt Armenians in the long run?

"The arrogant AGBU has not been helping Armenians," Der Parthogh said.

Attempts were made to contact AGBU board members to give them the opportunity to defend the organization against the many negative comments hurled their way. Phone calls and e-mail messages were made to board members, Louise Manoukian Simone, Sarkis Demirjian, Arshavir Gundjian, Nazar Nazarian, Joseph Basralian, Michael Ansour, Benon Sevan, Dicran Tevrizian and Sinan Sinanian.

None were returned.

Barry Zorthian, who is on the AGBU board, but as a director emirate, did comment. But Zorthian said, because he is not an active board member, he did not know enough about the situation to know if it was justified. However, he criticized the way the AGBU handled the closing of the Melkonian. "I feel the AGBU board handled the publicity aspect of Melkonian very badly," said Zorthian, who was an active board member from 1970 to 1995. "When the rumors started the school was going to be closed, they denied it. When you have a controversial decision like this, you need to plan how you are going to handle the publicity. But all they did was deny it and it turned out to be true."

To many, that fact that the active board did not discuss the issue only fueled their belief that the AGBU is out of touch. "It's like they are a secret organization," said Bohdjalian. "About 99% of the AGBU money is pledged for certain things. If I was to give, say, \$10,000 for an eye clinic in Yerevan, that's where the money would go. At least, theoretically. But, this money from the selling of Melkonian is all free floating. It's not earmarked for anything other than what a few people in New York desire. So, no, we don't feel bad at all for wanting the Melkonian to be a heritage site."

Even some of the AGBU's harshest critics say they question some of Der Parthogh and Bohdjalian's tactics. "I'm not completely in line with the alumni in denying the Melkonian heritage status and thus reducing its value," said economist Zeitounian. "It's a dangerous, desperate road, but I guess it's the alumni's only road. At the same time I criticize some alumni with their brutal tactics during the protest and how they had pictures of Berge with a fez and calling the Melkonian closure the second genocide. That's ridiculous. But as far as the failure of Melkonian, I was hopeful every step of the way. But now, no. I don't have any hope."

The AGBU is trying to block the government from declaring the Melkonian a heritage site. "The Town planning Department and the Ministry of Interior have declared about two-thirds of the property to be a Heritage site, but we are going to fight all of it," said Gordon Anderson. "This has never been about selling the land."

Der Parthogh laughs when he hears Anderson's remark.

So relentless has Der Parthogh been in his attempts to save the school that a lawsuit was recently filed against him for his published attack on Anderson's chief aide, Freda Georgiou, a South African-born former English teacher. In one of his editorials he accuses Georgiou of racist remarks and ignorant comments.

In her office at the Melkonian Institute, Freda Georgiou expressed disdain for the duo of Shavash and Massis. "They don't represent the view of other alumni on the island," she said. Georgiou has been in Nicosia 10 years and she too was saddened by its upcoming closure. "I don't support the closure of Melkonian, but I understand it," she said. "Maybe if more people were open to communication, maybe something could have been done."

In late July, Georgiou's car was vandalized in the Melkonian parking lot. The windows were broken and tires slashed. That evening when Bohdjalian was informed of this, he smiled and said, "Good."

What went wrong at the Melkonian? If, as they say, the AGBU's main concern was not money, but a mission lost, how did the school get on a wayward disastrous path? Almost everyone interviewed for this report, from students to 84 year-old alumni, use another word – besides money – to describe the demise of MEI – Mismanagement. They point to a Central Board thousands of miles away that did not keep a close eye on the school, either because they simply didn't care or they were following the old adage of ignorance is bliss.

As the school enrollment slowly dropped to its current 197 from the glory days of more than 300 students, MEI's budget went up. In less than seven years, the budget had more than doubled. Many people lay much of the blame for the mismanagement on the school's current principal, Annie Lachinian. If Berge, Louise and Carol are painted as the trio that closed the school, Annie Lachinian is portrayed as the one who, by her reckless spending, actually ran the school into the ground.

So many people blasted Lachinian that it seemed only fair for her to get in the first words here before others voice their scathing opinions. But, reached at her home near Beirut, as she was heading off to vacation in Syria, Lachinian refused to comment on any criticism leveled her way. "I don't want a platform where I have to go on the defense," she said. "I don't need or want to defend myself, I'd like to keep this on a professional level. I don't want to comment on Gordon, either."

Lachinian also said she did not want to be critical of the central Board, but admitted she did not like their decision to shut down the school. "I'm disappointed with the decision the board made," she said, who took over as principal in August 1996. "I would have liked to have seen a different decision. My present belief was that Melkonian was a worthwhile operation. Our graduates have done very well around the world. It is sad because it is unique. It's not like we had 10 such schools and now there are nine. We had one and now there are none."

Lachinian felt that not only could Melkonian have survived as a boarding school, but that it should have been expanded to a junior college. "With some more investment it could have been even more special," she said. "Of course I am sad. I don't think any person can be happy that Melkonian is closing. We tried, but the leadership in New York had a different perspective, a different point of view. Right or wrong, as principal, I am bound to follow the directive. But as an Armenian, I feel very connected to the melkonian as heritage." Lachinian will return to finish out the school's final year. "I've done my job to the best of my abilities and it was a gratifying experience. I hope the new endeavors the AGBU takes will be worthwhile in terms of enriching Armenians."

Lachinian's critics point to her careless overspending, her arrogance and her nepotism. "The Central Board gave too much power to Annie," said Kouyoumdjian, the editor of Free Voice. "They gave her absolute authority. I saw lots of overspending." Kouyoumdjian said she wrote to Chairman of the Board Louise Manoogian Simone about what she called corruption and mismanagement. Simone communicated she would look into it, but according to Kouyoumdjian, nothing changed. "I couldn't stop the corruption, so I left the board in 1998," she said. "To me it's like they are stealing from the children the way they misuse the funds. Like the way she would travel in first class. It's too bad because they could have rebuilt Melkonian. It's a great center. A great symbol of the Armenians in Nicosia. A symbol for the whole Diaspora."

Accountant and current Melkonian board member Hratch Manoogian shakes his head at the mention of Lachinian. "Annie helped destroy the school," he said. "Her mismanagement was one of the main reasons New York took this decision. The worst thing the central Board did was to not watch her. She brought in relatives, she traveled first class. Can you name another secondary school principal who travels first class? It's nothing in a way, but it's something when you think about it. First class travel adds up." Manoogian said Lachinian would alter the reports she would send to New York. "She would send them the minutes of a meeting that were different from reality."

Kostanian, the president of the local AGBU chapter, said he was a supporter of Lachinian when she first came on board. "She seemed like someone who was going to make the school better," he said. "But, after two years, this lady was so arrogant. She was too good to cooperate with our local AGBU club. She did whatever she wanted. We could not stop her, and the Central Board didn't even try."

Anderson's assistant Georgiou would not condemn Lachinian's performance as principal, but did not praise it either. "I've worked with Annie for a number of years, but I'm not in a position to say if she mismanaged funds," said Georgiou, clearly uncomfortable with the subject. "We have to try to move on." Anderson played it safe, saying any criticism of the principal would be "Monday morning quarterbacking." "I wouldn't say there was mismanagement," he said. "There were lots of factors at play at the Melkonian, Annie obviously loves the school."

Anderson refused to divulge Lachinian's salary.

A copy of the MEI 2003*2004 budget obtained for this report showed 760,000 Cyprus pounds (roughly \$1.6 million) was paid for the salaries of 71 employees. With roughly 200 students, that's a ratio of one employee for every 2.8 students. The Waldorf Astoria Hotel in New York City doesn't have such a service to guest ratio. Other expenditures included 65,000 Cyprus pounds (roughly \$136,000) for kitchen expenses and 70,000 Cyprus pounds (\$146,000) for local travel.

So what remains for the Melkonian Educational Institute?

The school will operate normally next year, though many expect the enrollment to be much lower as parents pull their children from the doomed institute. The AGBU insists that after they close the school in June 2005, the remaining students will be taken care of with housing provided and an alternative school. Anderson said that he has narrowed the list of school that want the students to four private institutions, three Greek and one American, all in the Nicosia area. "We will do whatever we can to make sure the transition is as smooth as possible for the students," he said.

However, no details have emerged on how this is going to be accomplished, and this is distressing to many, even AGBU loyalist like Hratch Manoogian. "It's upsetting that they are not giving out a detailed plan of what they are going to do," said Manoogian, who is one of three people authorized to endorse checks for the melkonian. "There are too many parents, too many students wondering what exactly is going to happen."

Whatever happens – and there are the last holdouts like Der Parthogh and Bohdjalian who say they won't give up the fight until the building is tore down – no one in Nicosia is happy the school appears doomed.

"You will be amazed when you talk to the Greeks, from the government to the man on the street and see how upset they are that Melkonian is closing," said Yildizian, the government public information officer.

The Cypriot government encourages local Armenian students to attend Melkonian, going so far as to pay for their annual tuition which, at present, amounts to roughly \$2,500 a year.

Many in the Cypriot government are disappointed about the closing of a school they view as a symbol of Cyprus' openness to other cultures. "We are worried about Melkonian closing, but it's a private school and the only thing we can do is express our view that we don't want the school to close," said Andreas Skotinos, director of Secondary Education for the Ministry of Education and Culture. "It's a school with a deep history. It contributes to the whole country. Not just the Armenians here. We are all proud of the Melkonian Institute. It's sad. Everyone in Nicosia knows the Melkonian."

One night, at a taxi kiosk near the entrance to the old city of Nicosia, I approached the female dispatcher and asked her for a cab to a nice restaurant. I told her the name of the restaurant and the name of the street it was on, but it didn't ring any bells. She called over a taxi driver who didn't know the restaurant or the street either. He called over another driver then another. No one knew where it was. Finally, I told them the restaurant was near the Melkonian Institute.

Suddenly, as if on cue, all four of them said at the same time "Oh, the Melkonian."

Editorial note:

In order to shed light on the controversy surrounding AGBU's decision to close the Melkonian Educational Institute of Cyprus, a group of former students of the Melkonian Institute set investigative reporter Michael Krikorian to Cyprus, commissioning him to write an impartial and in-depth report about AGBU's controversial decision. Krikorian was a reporter with the Los Angeles Times from 1995 to 2004, with two years in between at the Fresno Bee, when he was nominated for the Pulitzer Prize for his coverage of the assassination of Armenian Prime Minister Sarkissian and six other government leaders.